

**EVENT VIOLATION**  
**INSPECTOR'S STATEMENT**  
**MINERALS REGULATORY PROGRAM**

Company/Mine: Gypsum Resource Development, Inc.  
Permit #: S/015/047

NOV # MN-2006-03-01-01  
Violation # 1 of 1

**SERIOUSNESS**

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of event below and remember that **the event is NOT the same as the violation**. Mark and explain each event.

- |                                     |    |  |
|-------------------------------------|----|--|
| <input type="checkbox"/>            | a. | Activity outside the approved permit area.                     |
| <input checked="" type="checkbox"/> | b. | Injury to the public (public safety).                          |
| <input type="checkbox"/>            | c. | Damage to property.  |
| <input type="checkbox"/>            | d. | Conducting activities without appropriate approvals.           |
| <input checked="" type="checkbox"/> | e. | Environmental harm.  |
| <input type="checkbox"/>            | f. | Water pollution.   |
| <input type="checkbox"/>            | g. | Loss of reclamation/revegetation potential.                    |
| <input type="checkbox"/>            | h. | Reduced establishment, diverse and effective vegetative cover. |
| <input type="checkbox"/>            | i. | No event occurred as a result of the violation.                |
| <input type="checkbox"/>            | j. | Other.   |

Explanation: The regulation violated is apparently designed to prevent sites from being abandoned and to prevent danger to the public or off site environmental degradation. These could result from a mine that is inactive for an extended period of time.

2. Has the event or damage occurred? There has probably been some short-term damage.  
If yes, describe it. If no, what would cause it to occur and what is the probability of the event(s) occurring? (None, Unlikely, Likely).

Explanation: It is unlikely someone would be hurt on the mine site although it is possible. The mine is right next to a public road that is used by tourists to access the Wedge Overlook, and someone could be hurt riding an OHV through the site. The only potential damages to the environment I can see are problems with sedimentation, fugitive dust, and abandonment. There are no nearby streams, so sedimentation would probably not be a problem. Fugitive dust would cause minor short-term damage.

The most likely environmental problem that might occur is that the site would be abandoned.